LOCAL AUTHORITIES BOARD

THIRTIETH ANNUAL REPORT 1990

Alberta

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18th Floor, CityCentre, 10155 – 102 Street, Edmonton, Alberta, Canada T5J 4L4 403/427-4278

January 31, 1991

The Honourable Don R. Getty
President of the Executive Council
Province of Alberta
307 Legislature Building
EDMONTON, Alberta
T5K 2B7

Dear Mr. Getty:

I have the honour to submit herewith the Thirtieth Annual Report of the Local Authorities Board for the year 1990.

In addition to providing the information required by Section 26 of the Local Authorities Board Act, this Report also presents a brief description of the Board, its responsibilities and significant activities which occurred during 1990.

Respectfully yours,

B.T. Clark
Vice Chairman

From The Vice Chairman

It is my pleasure to present the 30th Annual Report of the Local Authorities Board and review briefly the Board's activities during 1990.

The Board conducted a total of 33 hearings, the majority of which consisted of annexation and tax exemption applications.

Two major annexation applications were heard by the Board in 1990. The two applications are directly related and were heard consecutively; the first, a proposal by the City of Fort Saskatchewan to annex 2,800 acres from the County of Strathcona consumed 11 hearing days and the second, a proposal by the County of Strathcona to annex 3,400 acres from the City of Fort Saskatchewan and annex 600 acres to the City consumed 9 hearing days. The Board concluded their deliberations in October and the decisions have been communicated to the Lieutenant Governor in Council.

The number of financial applications, which include municipal and school debentures, New Town estimates, use of surplus funds and amendments, received and/or carried over from 1989 totalled 387, of which 378 were granted in full or part.

The Board collected $218,394.60 in fees which represents 41% of the Board's approved 1990-91 operating budget of $530,147.

The Board was restructured in 1990 with the appointment of Bryan Clark as Vice Chairman responsible for the daily operations of the Board and the appointment of two part-time members, Eva Fries and Ray Myroniuk who have also assumed the positions of Director and Board Secretary respectively.

In closing, I wish to express my sincere appreciation to our staff for their contribution and valuable work in assisting Alberta municipalities during the past year.

Introduction

Authority

The Board obtains its authority from the Local Authorities Board Act, Chapter L-27, Revised Statutes of Alberta 1980, as amended.

The Board

The Local Authorities Board of Alberta is an independent quasi-judicial tribunal. The Board has all such powers, rights, privileges and immunities as are vested in the Court of Queen's Bench with regard to proceedings, the attendance and examination of witnesses, the production and inspection of documents, the enforcement of its Orders, the payment of costs and all other matters necessary or proper for the due exercise of its jurisdiction or otherwise for the carrying into effect any of its powers.

The Orders, decisions, rules or regulations of the Board may, with leave, be appealed to the Court of Appeal on questions of jurisdiction or law but not on questions of fact. The Board's Orders relating to petitions for annexation have no effect unless approved by the Lieutenant Governor in Council who may approve the Order, prescribe conditions that the Order is subject to and approve the Order subject to those conditions, vary the Order and approve the Order as varied, or disapprove the Order.

The Board is not subject to direction by any Minister, Member of the Legislative Assembly, or government official in respect to its quasi-judicial duties.

The Members

The Local Authorities Board Act provides for not more than six persons appointed by the Lieutenant Governor in Council as members of the Board. A member of the Board holds office during pleasure.

The Staff

The Board had eight staff members in 1990. The Director and Board Secretary report to the Vice Chairman.

Location

The Board offices are located on the 18th Floor, CityCentre, 10155 – 102 Street, Edmonton, T5J 4L4 (telephone 403-427-4278).

Reporting and Audit

The Board reports to the Lieutenant Governor in Council through the Minister of Municipal Affairs. The Board's expenses are paid from the Province's General Revenue Fund and the accounts are audited by the Provincial Auditor General.

Financing

The Board operates on a fiscal year basis, April 1st to March 31st, and submits a yearly budget for approval to the Legislature. As of December 31, 1990, the Board was within its total budget. It is difficult to forecast expenditures accurately as the Board cannot estimate precisely the nature, extent and number of applications with which it must deal.

The table below indicates the details of the Board's budget:

EXPENDITURE GROUPS	ACTUAL 1989-1990	APPROVED 1990-1991
Manpower	$363,041.66	$459,382.00
Supplies & Services	77,354.15	70,765.00
TOTAL EXPENDITURE	440,395.81	530,147.00

The Board obtained $218,394.60 from fees during 1990 in connection with applications from local authorities for loan authorizations by way of debentures, petitions for annexation or separation of land, applications for tax exemption, miscellaneous amendments, and copies of Orders, etc.

Responsibilities

The Local Authorities Board Act — Other Acts Administered

Section 27 of the Local Authorities Board Act states that:

(1) The Board has all the necessary jurisdiction and power

(a) to inquire into the merit of any application of a local authority for permission to raise money by way of debenture or on the security of stock;

(b) to supervise the expenditure of money borrowed by a local authority;

(c) to deal with the financial affairs of local authorities;

(d) to grant permission for the extension of the time for repaying the indebtedness incurred by a local authority for the cost of its public works;

(e) to separate land from an urban municipality;

(f) to order compromises of tax arrears;

(g) subject to the approval of the Minister, to establish limits for borrowing by local authorities.

(2) In addition to the jurisdiction and powers mentioned in sub-section (1), the Board has all necessary jurisdiction and powers to perform any duties that are from time to time assigned to it by statute or pursuant to statutory authority.

In addition to the aforementioned legislation, there are also numerous sections within the Municipal Government Act which require the approval of the Board pertaining to various matters. There are also several sections within the Municipal Taxation Act, the Municipal Tax Exemption Act, the New Towns Act, the School Act, the Planning Act, the County Act, the Clean Water Act, the Irrigation Act, the Hospitals Act and the Tax Recovery Act that fall to a certain extent under the jurisdiction of the Board. The Board is bound by the Administrative Procedures Act.

Services

The Board considers and decides upon matters falling into several categories:

A. Debt Creation and Debt Management

1. Applications by local authorities for authorization of debenture borrowings (the Local Authorities Board Act, the Municipal Government Act and the School Act).

2. Applications by local authorities for use of surplus debenture funds (the Municipal Government Act and the Local Authorities Board Act).

B. Financial Management

3. Applications for inquiry into the affairs of local authorities where financial difficulties are involved, including fixing by Order of the terms and conditions of any resultant financial control of the authority by the Board (the Local Authorities Board Act).

4. Authorization of financial programs for controlled local authorities including a New Town (the Local Authorities Board Act and the New Towns Act).

C. Taxation, Arrears and Special Assessments

5. Recommendations to the Lieutenant Governor in Council respecting applications by non-profit organizations for exemption from assessment and taxation of properties leased from the Crown or owned and either used by the organization or leased to other non-profit organizations (the Municipal Tax Exemption Act).

6. Applications for compromise of tax arrears (the Local Authorities Board Act).

7. Applications by municipalities for approval to carry out local improvement work and assess the costs thereof against the properties concerned, notwithstanding the lack of consent of the required majority of owners concerned (the Municipal Taxation Act).

D. Territorial Jurisdiction

8. Petitions for annexation or separation of lands to or from municipalities, including the fixing of terms and conditions of such annexation or separation (the Municipal Government Act, the Local Authorities Board Act and the County Act). The annexation Board Orders are subject to approval by the Lieutenant Governor in Council.

9. Applications for approval to acquire lands lying outside the boundaries of a municipality when consent of the municipality in which the lands are situated cannot be obtained (the Municipal Government Act).

10. Referrals by the Irrigation Council of petitions for formation, change of area, amalgamation or dissolution of Irrigation Districts, including the fixing of terms (the Irrigation Act).

E. Other Matters

11. Recommendations to the Lieutenant Governor in Council concerning matters referred to the Board (the Local Authorities Board Act).

12. Applications to authorize the amendment or rescinding of municipal tax sharing agreements when mutual agreement cannot be reached (the Municipal Government Act).

13. Applications by ratepayers for examination of procedures in determining the sufficiency of a petition for or against a local improvement (the Municipal Taxation Act).

14. Applications by municipalities for establishment and maintenance of plans of insurance to cover municipal property losses and municipal legal liability to others arising out of accidents and occurrences (the Municipal Government Act).

Other Functions

General

The Board communicates through its Orders, Recommendations and Regulations and does not report to any superior in respect to its day to day activities. However, the Board performs a number of functions to assist the Government, Legislative Assembly and municipalities while still maintaining its independence and quasi-judicial status.

Inquiries

The Board, on its own motion may, and upon the request of the Lieutenant Governor in Council shall, inquire into, hear and determine any matter or thing within its jurisdiction. Public hearings are generally held in respect to such inquiries with the result that the Lieutenant Governor in Council receives a report.

Reports

The Board reports its activities to the President of the Executive Council by means of its Annual Report.

Legislative Changes

When requested, the Board provides comments on proposed changes to legislation.

Orders in Council

The Board issues Orders and makes Recommendations for Orders in Council in respect to annexation and tax exemption matters respectively. The Lieutenant Governor in Council makes the decision whether or not to approve same.

Activities

The following is a summary of applications dealt with by the Board:

	CARRIED FROM 1989	NEW ADDED IN 1990	NUMBER GRANTED IN PART OR FULL	NUMBER NOT GRANTED*	OUTSTANDING AS AT DEC. 31, 1990
Financial					
Debenture	5	360	356	7	2
Increases/Decreases	0	9	9	0	0
New Town Estimates	0	0	0	0	0
Use of Surplus Funds	0	6	6	0	0
Amendments	0	3	3	0	0
Miscellaneous	0	4	4	0	0
Territorial					
Annexation	10	9	10	1	8
Separation of Land	2	1	0	2	1
Tax Exemptions	3	32	14	14	7
Amendments	3	1	0	0	4
Irrigation	0	1	0	1	0
Miscellaneous	0	2	0	1	1

(* NUMBER NOT GRANTED includes applications refused, returned or withdrawn)

Summary

Debenture Borrowings Approved — 1990 (In Thousands of Dollars)

Category of Application	Cities	Towns/ New Towns	Villages/ Summer Villages	Counties/ Municipal Districts	School Divisions/ Districts	Regional Services Commissions	Total
Sewer and Water							
# Approved	18	9	7	0	0	1	35
Amount Approved	181,015	2,770	1,888	0	0	2,190	187,863
Roads, Bridges, Curb, Gutter and Sidewalk							
# Approved	89	35	7	5	0	0	136
Amount Approved	59,041	3,302	1,146	4,361	0	0	67,850
Land and Municipal Buildings							
# Approved	5	7	2	3	0	0	17
Amount Approved	19,867	4,133	150	7,503	0	0	31,653
Vehicles, Equipment and Machinery							
# Approved	20	5	1	4	0	0	30
Amount Approved	14,021	560	47	2,468	0	0	17,096
Utilities							
# Approved	7	0	0	0	0	0	7
Amount Approved	161,808	0	0	0	0	0	161,808
Parks and Recreational							
# Approved	7	4	0	0	0	0	11
Amount Approved	6,834	1,595	0	0	0	0	8,429
School							
# Approved	0	0	0	29	94	0	123
Amount Approved	0	0	0	16,942	103,550	0	120,492
Health and Community Services							
# Approved	1	1	0	0	0	0	2
Amount Approved	337	360	0	0	0	0	697
Subdivision and Development							
# Approved	0	1	2	1	0	0	4
Amount Approved	0	10	159	4,069	0	0	4,238
TOTAL							
# Approved	147	62	19	42	94	1	365
Amount Approved	442,923	12,730	3,390	35,343	103,550	2,190	600,126

Summary

Annexations Granted — 1990

PROPOSED USE OF ANNEXED LANDS IN HECTARES (ACRES)

	CITIES	TOWNS	VILLAGES/ SUMMER VILLAGES	TOTAL
Number of Applications	1	6	3	10
Residential	64.75	10.62	0.00	75.37
	(160.00)	(26.25)	(0.00)	(186.25)
Industrial	0.00	128.83	0.00	128.83
	(0.00)	(318.35)	(0.00)	(318.35)
Commercial	0.00	0.00	0.00	0.00
	(0.00)	(0.00)	(0.00)	(0.00)
Control	96.73	119.38	13.61	229.72
	(239.03)	(295.00)	(33.65)	(567.68)
Recreational	0.00	2.92	0.00	2.92
	(0.00)	(7.21)	(0.00)	(7.21)
Other	25.37	21.04	2.02	48.43
	(62.68)	(52.00)	(5.00)	(119.68)
TOTAL	186.85	282.79	15.63	485.27
	(461.71)	(698.81)	(38.65)	(1,199.17)

Summary of Financial Applications Approved, by Local Authority

CITIES	
Airdrie	10
Calgary	29
Camrose	17
Drumheller	1
Edmonton	45
Fort McMurray	9
Leduc	1
Lethbridge	6
Medicine Hat	19
Red Deer	5
St. Albert	5
Spruce Grove	3
Wetaskiwin	4
TOTAL	154

TOWNS	
Athabasca	1
Beaumont	2
Beaverlodge	1
Black Diamond	1
Bon Accord	2
Bow Island	3
Brooks	2
Castor	1
Coaldale	1
Didsbury	3
Fairview	3
Grimshaw	4
High Prairie	1
Hinton	3
Lacombe	3
Magrath	2
Mayerthorpe	1
Milk River	1
Okotoks	1
Peace River	5
Picture Butte	1
Ponoka	1
Redcliff	2
Slave Lake	7
Stony Plain	2
Strathmore	1
Sundre	2
Taber	2
Tofield	2
Trochu	1
Valleyview	1
Vegreville	1
Westlock	1
Whitecourt	1
TOTAL	66

VILLAGES/SUMMER VILLAGES	
Alberta Beach	1
Beiseker	1
Boyle	1
Breton	2
Carmangay	1
Consort	1
Donnelly	1
Hill Spring	1
Hines Creek	1
Irricana	1
Plamondon	1
Rosemary	1
Ryley	1
Sangudo	1
Sunset Point	1
Val Quentin	1
Veteran	2
Warner	1
TOTAL	20

COUNTIES	
Grande Prairie No. 1	1
Vulcan No. 2	2
Ponoka No. 3	2
Newell No. 4	2
Warner No. 5	1
Stettler No. 6	1
Beaver No. 9	1
Wetaskiwin No. 10	2
Barrhead No. 11	2
Athabasca No. 12	2
Lacombe No. 14	1

COUNTIES (continued)	
Wheatland No. 16	1
Mountain View No. 17	1
St. Paul No. 19	3
Strathcona No. 20	8
Two Hills No. 21	3
Camrose No. 22	1
Leduc No. 25	1
Lac Ste. Anne No. 28	1
Parkland No. 31	3
TOTAL	39

MUNICIPAL DISTRICTS	
Rocky View No. 44	2
Spirit River No. 133	1
TOTAL	3

SCHOOL DISTRICTS	
Calgary R.C.S. No. 1	3
St. Albert No. 3	1
St. Albert P.S. No. 6	3
Edmonton No. 7	7
Edmonton R.C.S. No. 7	5
Lethbridge C.S. No. 9	1
Red Deer R.C.S. No. 17	3
Calgary No. 19	3
Medicine Hat R.C.S. No. 21	1
Grande Prairie R.C.S. No. 28	4
Wainwright R.C.S. No. 31	1
Thibault R.C. Public No. 35	1
North Peace R.C.S. No. 43	2
Lethbridge No. 51	2
High Prairie R.C.S. No. 56	2
Medicine Hat No. 76	3
Red Deer Public No. 104	5
Rocky Mountain House R.C.S. No. 131	1
Lakeland R.C.S. No. 150	1
Stony Plain R.C.S. No. 151	1
Wetaskiwin No. 264	1
Okotoks R.C.S. No. 346	2
Slave Lake R.C.S. No. 364	1
Stettler No. 1475	2
Redcliff No. 2283	1
Grande Prairie No. 2357	1
Whitecourt No. 2736	4
Grande Cache No. 5258	1
TOTAL	63

SCHOOL DIVISIONS	
Cypress No. 4	1
Taber No. 6	1
Peace River No. 10	1
Rocky Mountain No. 15	1
Sturgeon No. 24	1
Wainwright No. 31	1
Provost No. 33	1
Foothills No. 38	2
Rocky View No. 41	4
Spirit River No. 47	1
High Prairie No. 48	1
Fairview No. 50	6
Lac La Biche No. 51	2
Fort Vermilion No. 52	2
Three Hills No. 60	1
Northland No. 61	1
Drumheller Valley No. 62	1
Mount Rundle No. 64	2
Twin Rivers No. 65	2
TOTAL	32

COMMISSIONS	
Capital Region Sewage	1
TOTAL	1

Summary of Annexation Applications Granted, by Local Authority

CITIES	
Camrose	1
TOTAL	1

TOWNS	
Athabasca	1
Didsbury	1
Lacombe	1
Pincher Creek	1
Raymond	1
Tofield	1
TOTAL	6

VILLAGES/SUMMER VILLAGES	
Arrowwood	1
Innisfree	1
West Baptiste	1
TOTAL	3

Summary of Applications Approved/Granted, by Category of Local Authority

CATEGORY OF LOCAL AUTHORITY	FINANCIAL APPLICATIONS	ANNEXATION APPLICATIONS
CITIES	154	1
TOWNS/NEW TOWNS	66	6
VILLAGES/SUMMER VILLAGES	20	3
COUNTIES	39	0
MUNICIPAL DISTRICTS	3	0
SCHOOL DISTRICTS	63	0
SCHOOL DIVISIONS	32	0
COMMISSIONS	1	0
TOTAL	378	10